

FROM: Brad Ungar  
DATE: July 21, 2022

Celsius Network LLC, et al. - Case Number: 22-10964 (MG)

To the Honorable Judge Glenn,

I'm reaching out to you as a Depositor in Celsius who has been on the platform for almost a year with start date of June 30, 2021. I live in Canada, where the Earn program was still active.

My funds were deposited into the earn program under the belief it was a safe place comparable to a bank. My interest was not extreme, was around 5% max and my holdings were primarily Bitcoin and Ethereum with other reputable coins.

Celsius showcased themselves as a transparent company with regular presentations to the community, which have now been proven to be full of inaccuracies and straight out lies. You can still see some of these claims clearly on their website under the "Trust" heading.

I still have full faith in crypto, but do not have faith in the management of Celsius with the current team. We were told our funds were safe, that they were our funds, and were even backed by a \$2 Billion dollar balance sheet so would never have issue withdrawing. These are a big chunk of my life savings and it is heartbreaking to just see these coins I have slowly acquired be stolen from me.

### **Celsius Secretly Held Withdrawals Before Announcement to Customers**

On June 12th, I had submitted transactions to transfer funds hours before Celsius officially announced any pausing/holding of funds. I had near immediate confirmation of withdrawals of XRP, MATIC, ADA, XLM, DOT, COMP, LINK to my external wallets but my BTC, ETH, and AAVE transfers which were some of the first withdrawals initiated were set to pending mode for hours. It is clear to me that Celsius was holding our funds and blocking withdrawals before any announcement.

The coins of COMP and LINK are both Ethereum based coins and would have the same processing times as ETH but for some reason the ETH was never released to my external wallet. After they announced the pause of transfers on the platform through Twitter (hours after my transactions should've completed) my transfers of BTC, ETH, and AAVE were cancelled without any notice. I have evidence available upon request of the transfers in forms of images of the transfers, transaction records from Celsius, and communication on Twitter.

The BTC and ETH are my main holdings and were my long term life savings focused investments, since I have full confidence in these coins for many years to come. I never expected that they could just be taken from me at will by Celsius.

Even after reading the Terms of Service, the coins before any bankruptcy were considered my coins and the withdrawal was initiated in due timing with no reason for a delay besides that the company manually paused these transactions and stopped them from completing secretly. I was not notified of any pause or of the cancelling of my withdrawals at a time when the coins were 100% available to the company. Later in the process of readying for Chapter 11 filing it is clear they used our funds to pay off their debts, the same funds that I had requested before they stopped user withdrawals.

I believe any user that initiated transfers before the pausing of withdrawals were announced should get immediate access to the full value of the amount they were sending.

### **Moving Forward**

Customers of Celsius cannot trust the board and in particular Alex Mashinsky. During this process it has become clear that the team at Celsius is trying to keep details secret and that Mashinsky and others were doing things in private different than what they displayed publicly with purposeful fraud. At this time, Mashinsky has made millions and is looking to cover his tracks from any legal risk without concern of the depositors left to lose our savings.

This does not mean that Celsius should be liquidated since that would only further hurt those of us that have our funds deposited. There are some in our community fighting for a Depositors First approach and coming up with ways that could create a real future for the company. One person fighting clearly for innovative ways to give Depositors hope of a return of their funds one day is Simon Dixon. Simon has applied to be part of the Creditors Committee and it would be a major benefit if he is accepted, but if he is not I still beg that you review his and Bank to the Future's plans since honestly it seems like the plan Celsius has submitted so far will only lead to more loss for us long term.

Our money has been stolen from us but we still have hope and a community of people looking to find ways to remedy the wreckage but in the interim we need to make sure Celsius is not allowed to continue their reckless activities. I truly appreciate you reading this and looking out for us who believed our money was safe and hoped to see these funds as a growing part of our life savings.

Sincerely,  
Brad Ungar